ONLY SOCIALISM CAN DESTROY FASCISM

LABOR POWER

Official Organ of the Socialist Union Party

VOLUME 2 | APRIL, 1941 | NUMBER 10

Workers In the Soviet Union

The Fight Against Monopoly

Crucifying Labor for National Defense

Waging Undeclared War

Published by the Socialist Union Party,
140 Fourth Avenue, Brooklyn, New York.

PRICE 5 CENTS

The Fight Against Monopoly

There have been many Congressional investigating committees during the past half century which attempted to illuminate the dark and myserious recesses of monopoly capitalism and to break the ever-tightening stranglehold it has acquired on our economic life. The proceedings and reports of these various groups have all served a useful purpose, but it is quite safe to say that none of them can be compared in importance with the work of the Temporary National Economic Committee which after three years of investigation has just filed its final report.

This final statement addressed to Congress, taken together with its recorded proceedings, interim reports and monographs issued by the committee on special aspects of the problem as it affects various industries, studies of monopoly trends and practices, etc., constitutes a truly monumental achievement, comparable to the Inspection Reports made under the British Factories Acts in the middle of the last century. To the student of American capitalism, these documents will prove a invaluable storehouse of information.

ECONOMIC ROOTS OF FASCISM

One of the most striking aspects of the material issued by the TNEC, is the confirmation of one after another of the Marxist theses with respect to the growth of capital and its social, economic and political effects. Thus, for example, the final report in one section indicates conclusively the real source of the menace of fascism confronting this country.

Outside the Socialist movement it is widely believed that such phenomena as political centralism, bureaucracy and fascism are peculiarly Russian or German or "foreign" products, and that America with its "democratic" institutions is immune from the internal growth of these political diseases. Marxism has long pointed out the fallacy of this idea. Fascism, we have time and again repeated, is not a devil's invention but the political reflection of the bankruptcy of capitalist production. Now comes the TNEC, having spent a million dollars, listened to 552 witnesses comprising the cream of America's industrialists, technicians, engineers and bourgeois economists and sociologists, taken over 20,000 pages of testimony, and it concludes its investigation with a solemn affirmation of the Marxist position.

"No person who with an open mind reviews the material gathered by this committee," says the report, "can fail to conclude that the rise of political centralism is largely the product of economic centralism. The records of this committee prove that restrictive practices are used by some business organizations not only to destroy competition but to regiment men."

The TNEC concluded its labors by issuing a program with which it hopes to cope with the danger of growing concentration of wealth and the centralization of economic power in the hands of monopoly capitalism. The principal points in this program may be summarized as follows:

1. Vigorous and vigilant enforcement of the anti-trust laws and the stimulation of "an awakening business conscience (which) will realize the necessity of complete co-operation in the elimination of monopolistic practices."

2. Fostering and encouragement of private enterprise; protection of private enterprise from destruction by concentrated group power. "The concentration of economic power and wealth by means of practices, devices, and organizations which decency and common sense condemn must first be stopped. . . ."

3 (a). Prohibition of all future mergers involving 5 million dollars or more, unless approved in advance by the government.

(b). Prohibition of mergers of large competing corporations unless it can be proved that such mergers would promote efficiency, that they would not lessen competition and that they would not involve more than a certain proportion of the industry.

4. Restricted charters for interstate corporations.

We propose to examine briefly the sufficiency of this program.

According to these trust "busters" monopoly is a product of illegitimate and evil practices and devices which offend decency and common sense. It is quite true that in its formative period American monopoly resorted to open, brutal and cynical economic piracy which made the terms "trust" and "monopoly"

(*Continued on page* 11)

LABOR POWER

Published Monthly by the
SOCIALIST UNION PARTY
140 Fourth Ave.
BROOKLYN, N.Y.

Subscription: — Per Year, 50c; Semi-Annually, 25c; Single Copy, 5c.

Printed by Voluntary Labor

Vol. 2, No. 10 **April, 1941**

Editorials . . .

WAGING UNDECLARED WAR!

Radio commentators, editorial writers and columnists continue to speculate on the, to them, engrossing subject of just how close the United States can get to war and still avoid participation in it. The entire discussion is quite pointless, inasmuch as the country *is actually at war now.*

As LABOR POWER has pointed out time and again, the United States has at no time been neutral in the present war. From its very inception Roosevelt's policy has been to use every possible means to aid British imperialism in its titanic struggle with its Nazi imperialist rival. After the French debacle, when Britain was exposed to deadly peril and a German victory appeared to be imminent, the administration threw diplomatic caution to the winds and openly espoused the British cause. "All aid to Britain short of war" became the dominant slogan of American imperialism. Having hurdled the obstacle of the Presidential election campaign with a perjured peace pledge, Roosevelt ripped off his peace mask and launched his Lend-Lease Bill, accompanied by sundry war-like challenges hurled against the Axis war lords.

And now the qualification "short of war" with which the warmongering administration had sugar-coated its pro-British policy, is thrown into the discard. The presidential pronouncements become more bellicose, including a demand for "total victory" against the Nazi forces. On the economic field the industries of the nation has been rapidly converted into the form and substance of a war economy. For the truth of this assertion we can call upon the *Wall Street Journal* which admits that:

> "M-Day has come to the United States in fact if not in name.
>
> There has been no declaration of war by Congress. There has been no formal institution of the industrial mobilization plan worked out by the War Department over the past twenty years which in theory would mark the arrival of Mobilization Day.
>
> But step by step over the course of the year, beginning with the creation of the National Defense Advisory Commission, there has been built up a series of controls, restrictions and regulations over business which in the aggregate are tantamount to those envisioned in the industrial mobilization plan. The names are different, the effects are the same."

Our Wall Street editor confines himself to restrictions and regulations against business, but as it is well known the restrictions directed against labor have been even more far reaching.

In the face of these developments, to contend that this country is still at peace is to do violence to the very meaning of words and to all logic.

It is quite true that the participation of the United States in the war has not as yet taken on a military form. But the question of a new A. E. F. is not a matter of formal declaration of war. It is purely a technical military problem. There has been as yet no military reason or need for American manpower. Churchill has made it abundantly clear that what Britain needs *for the present* are the "tools of war" and not an expeditionary force.

But even as this is written the military situation in Europe is changing. With Yugoslavia's defiance of Hitler, the likely possibility of a new theatre of the war in Europe, in the Balkans, has been opened up. Such a new front makes feasible a British military invasion of the continent. If and when this takes place the plea of Britain for American soldiers will be added to its continuing cries

for arms, planes and other war supplies. The establishment of a second A. E. F. within the next few months is by no means a long stretch of the imagination.

If nothing else is convincing, the officially-inspired campaign now furiously raging over the question of instituting armed convoys of war materials to be shipped to beleaguerd Britain should remove the last remaining doubts that this country is waging undeclared warfare. This campaign has followed the pattern of previous administration moves to aid Britain. No sooner had the Lend-Lease Bill been enacted into law, than the *New York Times* launched a movement for armed convoys. It was this same imperialist spokesman which sounded the bugle call for peace-time conscription which culminated in the passage of the Burke-Wadsworth bill. And now the *Times* is whooping it up for armed convoys. Behind the scenes, the Roosevelt forces are participating in the campaign and giving it every encouragement.

Colonel William Donovan, the President's unofficial observer in Europe, recently "reported" to the American people on his three months tour of the war zone in Europe. Significantly, Colonel Donovan turned his report into a veiled appeal for armed convoys. Said Donovan: "It is going to mean nothing in winning the war unless the goods that we produce and ship reach their destination. But due to the thinness of protection, ships are sunk and goods are lost . . . It is an essential part of German tactics to throttle the American supply. We have got to make up our minds what we are going to do about it. Are we going to deliver the goods?"

It is hardly necessary to point out the obvious fact that Donovan was here speaking as an administration mouthpiece and that his address has been approved in advance, else it would not have been delivered.

There is every indication that the necessary technical preparations for the launching of armed convoys have been completed and that the President is only awaiting a favorable opportunity and the necessary pre-conditioning of public opinion to present the nation with still another of his accomplished acts of war.

Even the interventionists are compelled to admit that the institution of a system of American armed convoys would consitute an act of war, a challenge that Nazi Germany could not possibly ignore as it has pretended diplomatically to ignore previous moves to aid Britain.

Thus the time left to the American people for free, open and frank expression becomes very, very short. While we still have the opportunity, LABOR POWER solemnly reaffirms its unalterable opposition to the raging imperialist war in which American imperialism is now maneuvering to play the leading role. We repeat: the main enemy of the American working class is and will continue to be the capitalist class at home. The threat of fascism in America comes not from Hitler or the Axis but from the ranks of the American bourgeoisie. Once more we warn the workers of America that capitalist imperialism is incapable of, nor can it be trusted to carry on a principled struggle against the dark forces of fascist barbarism, because capitalist imperialism is itself the creator of those forces.

In reaffirming its traditional opposition to imperialist war, LABOR POWER as the official organ of the Socialist Union Party, vigorously disassociates itself from the "peace" pretensions of the Lindbergh appeasement agents of Hitler and their political bedfellows, the Communist Party and its American Peace Mobilization Front. These anti-working class agencies are not interested in peace. Their "peace" propaganda is purely a maneuver which for the time being serves the interests of their principals, in the once instance Hitler, and in the other Stalin.

If the Hitler appeasers are for "peace" today, it is only to hamstring British imperialism that Germany may conquer. On the morrow they will be found vociferously whooping it up for the imperialist war with a fervor second to none. If the Stalinist stooges are for "peace" today it is only because such a line coincides with the momentary foreign policy of Stalin. On the morrow, should Stalin make his peace with British imperialism (and there is a strong possibility that he will do so), they too will be found whooping it up for American imperialism and its "holy crusade" against fascism. The workers must shun these agents of foreign totalitarianism who shout the false cry of "peace" in a world where there is no peace.

Workers In the Soviet Union

WORKERS BEFORE AND AFTER LENIN. By Manya Gordon. Published by E. P. Dutton Co., Inc., New York. $4.00.

* * *

There has been a long-felt need in the labor movement for a comprehensive and authoritative source book dealing with labor's social and economic status in the U. S. S. R. To be sure, we have almost been flooded with a never-ceasing flow of panegyrics from the pens of the outright Stalinist apologists and their fellow travellers who have pictured the Soviet Union as little short of the workers' paradise. Of anti-Stalinist works there has also been an abundance. These works for the most part have been the product of disillusioned workers and other observers, who have based themselves primarily on personal experiences and observations. Heretofore the Stalinist literary hatchetmen, by harping on the political bias and hostility of the anti-Soviet authors, and by raising a fog of officially-concocted statistics could always succeed in creating a doubt as to the validity of their opponents' conclusions in the minds of inquiring workers.

What has been wanting was authoritative factual material of whose authenticity there could be no dispute. From time to time material of this character has appeared, consisting of official Soviet decrees, statistics not meant for outside public consumption, statements by top-flight Stalinists interpreting current policy, editorial comments on industrial and political conditions within the Soviet Union, etc., etc. The Trotskyist press in particular has been a rich source of such factual information. But for the most part the material has remained inaccessible and up to this time no attempt was made to collect and reproduce it as an integrated whole.

AUTHORITATIVE SOURCE BOOK

"Workers Before and After Lenin" admirably fills the need for an authoritative and comprehensive sourcebook on Soviet social conditions. It stands out conspicuously amidst the welter of literature on the Soviet Union which has appeared in the past twenty-four years. The author, Manya Gordon, has used a very clever expedient in surmounting the Stalinist tactics of smear and obfuscation. She has adopted the old device of "convicting the criminal out of his own mouth." In presenting her material she eschews personal opinions and rigidly confines herself to official Communist Party or Soviet sources. The volume contains literally hundreds of references and quotations from such sources in addition to extracts and quotations from Soviet newspapers and statistics that have never before seen the light of day in this country. This documentation creates an authoritative work which spells out an impregnable case against the Stalinist subjugation and enslavement of the Russian workers.

The author herself, Manya Gordon, was a life-long and unrepentant Social-Revolutionist in Russia before the October Revolution, and as such she was and remains a bitter opponent of Leninism and the Bolshevik revolution. Yet despite her own definite views, she has succeeded in producing a work remarkably free from political bias and distortion.

The book is divided into a number of sections, each dealing with a specific aspect of Soviet social and economic life, including "Labor Unions in a Workers' State," "Wages," "Housing," "Social Security," "Peasants," "Revolution and Industrialization," "Education," etc. Unfortunately, lack of space prevents detailed consideration of the entire work in this review, and in our remarks below we shall discuss in detail only that section which treats of the history of the labor unions since the Bolsheviks took power. The entire volume, however, makes absorbing reading.

The sections on "Wages" and "Social Security" completely explode the Stalinist myth of a workers' paradise in the Soviet Union. Particularly illuminating is the author's treatment of Soviet statistics. By placing the official Soviet statistics in their proper perspective in comparison with the statistics of pre-war Czarist Russia (she relies on official Communist sources for Czarist figures also) and by citing the internal evidence of the Communist press as to actual working conditions, Manya Gordon conclusively demon-

strates that despite the imposing figures, the actual living conditions of Soviet labor is today definitely lower and inferior to pre-war Czarist standards. To be sure this is a conclusion at variance with prevailing belief, but Gordon spells out an unshakable case.

We cannot refrain, however, in citing a salient example of the method employed by the author in dealing with official Soviet statistics and the light that they throw on actual conditions when presented in the proper perspective.

On January 1, 1937 the Soviet of Peoples' Commissars decreed a rise in wages for all workers in the lower brackets. Seasonal workers were to receive not less than 115 rubles a month and the minimum for the regularly employed was 110 a month.

"It is interesting to compare this wage with the lowest earnings in the year 1911. Women in textile industries then received the poorest wages in the Moscow silk thread works. The wages were a shade less than 10 rubles per month. For the entire industry, according to later Soviet information, the average monthly wage in the year 1911 was 17 rubles."

The author points out that a system of factory feeding prevailed under Czarism and that the monthly cost of the workers food came to 3.3 rubles a person, which was paid for by the employer. The author then proceeds to contrast the 1911 cost of this meagre diet with the cost of food prevailing in the Soviet Union in 1937. She cites the following prices recorded by Pravda for January 1, August 23, 1937 and February 6, 1938. These prices were for government stores which supplied minimum wage workers.

	Kopecks Per Pound	
	1911	1937
Black Bread	2.5	43
Potatoes	.8	14
Wheat Cereal	3.5	195
Sauerkraut	1.	25
Meat	13.	200
Sunflower Oil	15.	600
Suet	14.	480

She then continues:

" . . . The cost of the workers' food has gone up from 3.3 rubles to 58 rubles or nearly 18 times. In other words the real minimum wage in the Soviet Union was much lower than the lowest wage before the World War. To equal the meagre diet of the minimum wage workers of 1911, the workers of 1938 should have received at least 175 rubles a month, instead of the actual minimum of 105." (Gordon deducts 10 rubles for various charges made against wages by the government.)

Here we have an illustration of the old adage that "while figures don't lie, liars figure." The Stalinist apologists who go into superlatives about the manifold increase of Soviet wages in comparison with pre-war wages, conveniently neglect to mention that while wages have risen, rising living costs have far outdistanced these wage increases!

All in all, those who are interested in learning the real truth about Soviet labor cannot afford to miss reading "Workers Before and After Lenin." To the Socialist student and class conscious worker who prides himself on being posted, it is a "must" book. Unfortunately, the book is priced at $4.00 which makes it too expensive a luxury for most workers. It is to be hoped that a popular-priced edition will soon be available for a more widespread circulation among workers and others with limited incomes. In the meantime the copies available in local public libraries should be utilized.

LENIN VERSUS GOMPERS

Before turning to a detailed consideration of the status of the labor unions as revealed in Gordon's book, it is necessary to point out two factual errors made by the author.

At one point she accuses Lenin of having declared in his "State and Revolution" that "as a result of the development of capitalism in Russia the vast majority of the administrative and economic problems had become so simple that they could be handled 'by all literate people' and that this can be done 'in rotation.'" Gordon here misses Lenin's point entirely. Lenin was not at all referring to existing conditions but on the contrary to conditions which would prevail under the "Higher Phase of Communist Society" a period which he pointed out could only be reached many, many years after the "First Phase of Communist Society" had been attained.

Gordon's second error consists in attributing to Lenin an endorsement of the Samuel Gompers-A. F. of L. "neutrality in politics" and "no politics in the union" position. On several occasions she repeats the statement

that Lenin agreed with Gompers. Nothing could be further from the truth. Lenin was opposed to the trade unions taking an anti-governmental political stand *under a workers' state.* However, he bitterly condemned Gompers' policy of supporting the capitalist system under the mask of "no politics in the union." To Lenin the important consideration was whether the union was confronted with a capitalist or a workers' state.

These errors on Gordon's part do not militate against the factual material presented by the book, and it is therein that its exceptional value lies.

"LABOR UNIONS IN A WORKERS' STATE"

The most important and basic section of the book is the one dealing with "Labor Unions in a Workers' State." In this portion the author traces in a masterly manner the course of the deterioration of the position of Soviet Labor.

The first year of the Revolution was the halcyon period for labor. Industrial democracy prevailed with a vengeance. The factory committees exercised absolute domination in the shops. Even as late as 1919 the Communist Party adopted a resolution which declared that "the organizational apparatus of national industry must be based primarily on the trade unions," and that the trade unions must get into their hands "the actual centralized management of the economic life (of the nation) as a single economic unit." But the honeymoon of the workers was soon over. The theory of trade union supremacy was in violent conflict with the actual hard reality confronting the Bolshevik leaders, which no amount of theorizing and subtilizing could get around.

Russia was a backward country, materially, economically and socially. With all the good will in the world, the Russian workers lacked the technological knowledge and experience with which to run the Soviet Union's industrial plant. Lenin was confronted with the alternative of permitting trade union supremacy in industry to continue a course which would soon result in complete chaos, or of breaking resolutely with past theory by clipping the wings of the trade unions and instituting individual expert authority in the shops, "replacing the principle of election by the principle of selection, on the basis of practical knowledge, technical competence, firmness and organizing and business ability." Hard realist that he was, Lenin did not hesitate in his choice. The trade unions were stripped of their domination in the shops and relegated to the background.

SOVIET UNIONISM UNDER LENIN

In thus curtailing the power of the trade unions, Lenin and the Bolshevik Party were far from emasculating them or robbing them of their independent organizational strength and reducing them to organs of "communist culture" as they are euphemistically referred to by Stalin and his henchmen. Lenin foresaw clearly that the Soviet government, like all political governments, tended to become more and more bureaucratic (he referred to it as a "workers' government with a bureaucratic twist"); and he held that it was necessary for the unions constantly to be on guard to protect the workers against the bureaucratic excesses of the state. Lenin strongly opposed the attempt of Trotsky to merge the unions with the government, i.e., to governmentalize the unions. Trotsky contended that under the proletarian dictatorship the trade unions had no occasion or need to defend the material or spiritual welfare of the workers.

"Under no circumstances is it advisable," cautioned Lenin, "to demand of the trade union members a specific political viewpoint. In this matter, just as on the question of religion, the trade unions must be non-partisan. In a proletarian state the trade union members should only be asked to understand comradely discipline and the absolute need of a united labor power for the protection of the toilers."

That Lenin's espousal of the cause of vigorous and independent trade union organization was not mere empty bombast manufactured for fleeting political purposes is tacitly conceded by Gordon, who is by no means partial to Lenin and the Soviet regime. She comments, "During the early period of Soviet rule, labor managed to achieve a great deal. . . . Under a democratic form of government these activities, with the large membership of the trade unions, would have ultimately compelled a complete reorganization of the economic and industrial conditions of the country no matter whether the ultimate ownership

was private or national. . . ."

STALIN EMASCULATES UNIONS

The ascendency of Stalin was to put an end to this favorable period for Soviet labor. Writes Gordon: "The year 1928, the beginning of the first Five-Year Plan, witnessed a complete change in the condition of labor. Stalin, Molotov, Kaganowich and others were bent on making the trade unions an ordinary instrument for the execution of the governmental plans completely subservient to the Soviet Union. Extra-legally Stalin and his henchmen proceeded to devitalized the union, transforming them into Stalinist police organs which, instead of protecting the workers from the bureaucratic distortions and perversions of the government, played a leading role in helping to break the back of the persecuted workers."

The 16th Congress of the Communist Party, held in 1930, merely gave judicial confirmation to this Stalinist usurpation when it declared in its trade union resolution that "The present phase of Socialist construction raised the problem of the complete reorganization of the activities of the proletarian mass organizations, among others, the trade unions.... Socialist competition and shock brigades must become the primary concern of all constructive activities of the unions. . . .

"The Congress pledges the party organizations and the trade unions to increase the propaganda of Leninism in the entire system of cultural political work of the unions, to impregnate it with communist dogma, to remove completely all non-political and narrow cultural elements."

It should be borne in mind, in order to get the full flavor of the above passage, that since the Soviet Union is operated on a "closed shop" basis, and the government is the sole employer, a sentence of "elimination" from the trade unions is equivalent to a sentence of starvation. Woe unto the unfortunate who finds himself thus eliminated!

WORKERS ENSLAVED!

Under Stalinist hegemony the trade unions were "reorganized" with a vengeance. Gordon relates that "The period of 1929-1930 marks the virtual annihilation of the trade unions. Terrorized by threats of execution by the trials of the non-partisan engineers in 1930, by the purges of the Mensheviks in 1931, by the expulsion from the trade unions of all of Tomsky's associates and the appointment of Shvernik as head, the trade unions became completely passive. They no longer had the courage to pose any question concerned with the protection of labor. The trade unions were silent when in 1931 it was decreed that a worker could not change his job without the permission of the head of the plant. They were silent when on February 13, 1931 the Soviet of Peoples Commissars condemned technically untrained peasant boys to three years of imprisonment because they unintentionally wrecked some tractors. They were silent on December 4, 1932 when the Soviet of Peoples Commissars and the Central Committee of the Communist Party issued an amazing decree putting food supplies and other necessities under the control of the factory directors in order to strengthen the power of the directors of enterprises. In other words, as *Pravda* saw it, the administrator was given the right to prescribe 'the amount of food that should be used.' "

NEW LABOR ENSLAVING EDICTS

It is quite safe to say that the trade unions made no protest either when the latest of Stalin's ukases affecting the rights of labor were promulgated in the summer and autumn of 1940, after Manya Gordon had written her book. According to these new decrees, not only is it a criminal offense to leave a job, but absence from work is likewise punishable by forced-labor terms of from 2 to 4 months at 25% reduction in pay; and an industrial accident which causes damage to property may be deemed hooliganism and the worker responsible may be subject to criminal action. Stalin has converted the factories and shops of the Soviet Union into a huge prison barracks.

To this low estate has the working class sunk in Stalin's Workers' paradise.

Stalinism is the deadliest enemy of the working class. The plague of Stalinism must be eradicated!

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Crucifying Labor for National Defense

Despite the attempts of the capitalist class to inveigle labor into a docile "National Unity," the class struggle has broken out into open violence with renewed vigor under the stimulus of "defense" production, rivaling in extent and intensity the historic industrial battles of 1937.

The workers, while maintaining their loyalty and patriotism to the capitalist regime, are refusing to be bamboozled into surrendering their elementary rights against capitalist aggression and exploitation. Taking advantage of the favorable turn in the labor market, the workers are striking while the iron is hot, to coin a pharase. The Bethlehem Steel and the Ford Motor strikes were primarily moves to break down two of the last remaining ramparts of unbridled industrial autocracy in the United States. Similarly, the Allis-Chalmers walkout was the workers' reply to the company attempt to break down the standards previously gained by the union.

At the same time, these and the other recent strikes constitute an attempt on the part of labor to discount the rising cost of living and to obtain for itself some small portion of the fabulous war profits being pocketed by the entrenched industrial monopolists.

This exhibition of labor's militancy has infuriated the capitalists and their spokesmen. In the press, on the radio, from the pulpit, a furious assault has been launched against the strikers' temerity in daring to tie up and slow down the "defense" preparations. "Reds," "Communists," "enemy agents," "saboteurs," are among the milder expletives employed against the strikers. In the House of Representatives, Congressman Summers, chairman of the powerful Judiciary Committee and a fire-eating labor baiter, threatened that "enemies of this nation in the factories or elsewhere" (by which he meant only the workers and not the bosses), might expect nothing less than the electric chair.

On behalf of the Roosevelt Administration, Secretary of War Stimson made the ominus threat that unless the strikers speedily returned to work the government was prepared to intervene to restore production. The army's contribution to this campaign of labor intimidation was Air Corps Major-General Brett's idea of having mass formation of army planes fly over struck plants, to show strikers "what they are working for."

The campaign to crucify labor on the altar of "National Defense" has borne fruit. The Gallup Poll reports that 76% of the public questioned were sure that strikes in "defense" industries should be forbidden, while 51% were equally certain that business was fully cooperating for "defense." The legislatures of the States of Georgia and New York have already outlawed strikes in certain industries, while the Oklahoma Senate and the Texas House have passed laws restricting the rights of unions to organize. At the same time Congress and practically every state legislature in session have similar measures pending before them.

Under cover of the raging anti-labor hysteria, William D. Knudsen, O.P.M. director, has at last come out in his true colors as another of labor's enemies. In an address delivered at Washington on April 5, he advanced a specific program of hobbling labor militancy and resistance. Knudsen proposed that strike votes be taken under government supervision, that no strikes be permitted unless 60% of the workers favor such action, and that an extended "cooling-off" period be instituted before a strike vote could become effective.

On their face, these proposals appear innocent enough. In fact, the New Deal press hailed Knudsen's program as "fair" and "moderate" measures which would guarantee industrial peace without impairing labor's rights and interests. But once the workers permit the government to intervene in their internal union affairs, the entering wedge has been provided for complete government regulation of the unions. If the government, which represents the bosses, is allowed without objection to lay down the conditions governing strike votes, it will not stop there. It will extend its intervention in union affairs until the American labor movement becomes as completely governmentalized as are the so-called unions of Germany, Italy and Russia.

Attempting to forestall the growing wave of "defense" strikes and to assure continued and uninterrupted production, President Roosevelt has set up a Defense Mediation Board composed of representatives of industry, labor and "the public," and constructed along the lines of the World War National Labor Board.

This new Board, as yet, lacks the coercive power such as it predecessor was given, but this lack will undoubtedly soon be remedied.

During the First World War, on May 17, 1918, an order was promulgated offering the workers the choice either of working or fighting in the trenches. This order subjected all men between the ages of 18 and 45 to the direction of the government as to their respective employment. Nor was the order merely an empty gesture. At the close of the war the Provost-Marshal General announced that it had resulted in forcing 137,255 men into the type of work chosen for them by the government. Out of that number, 57,008 persons shifted their activities as the result of draft-board pressure. The Labor Board made effective use of this weapon to enforce industrial peace in the war industries. "Work or fight" was the threat held over the heads of would-be strikers.

There can be no doubt that once an open state of American belligerence is reached the "work or fight" technique of the last war will be revived to browbeat recalcitrant workers into submission. For the present the new Defense Mediation Board has to depend on "moral 'suasion" alone, but this is proving effective so far. Already, all outstanding strikes in "defense" industries have been settled on the basis of the strikers returning to work first and negotiating afterward. Such arrangements suit the employers perfectly but it leaves the workers disarmed, robbed of the militancy and determination with which they began their struggle, should the negotiations result unfavorably.

In daring to strike against the sacred "national defense" cow, in the face of hostile lynching-bee capitalist public opinion, and in maintaining solid their ranks despite the unprecedented pressure brought to bear against them, the workers are covering themselves with glory and writing an imperishable page in the history of American labor. Their militancy and solidarity on the industrial front represent a long step forward in working class progress. But, unless these struggles are linked up by the workers with the broader struggle for the abolition of capitalist exploitation and class rule, these struggles will have been in vain and the momentary victories gained will soon be lequidated.

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The imminent entrance of the United States into open military participation in the Second World War spells the doom of the free and independent labor movement. The crescendo of denunciation and the unreasoning hatred and prejudice unleashed against the striking workers today is but a foretaste of the fate that awaits any and all who will have the hardihood to take a stand against capitalist aggression and exploitation in war time.

Fellow Workers: Do not permit yourselves to be hogtied and deprived of your organizational independence under the specious pretext of "National Denfense" or the false cry that you are hindering the struggle against fascism. For what shall it profit the working class if Hitlerism is destroyed in Germany only at the cost of establishing Hitlerism in this country?

No capitalist country can carry on a struggle against the principle of fascism. Only the Socialist Republic, established by the power of the workers abolishing the rule of capitalist imperialism, can defeat fascism throughout the world. Imperialist war and the totalitarian economy which accompanies it can only serve as the highroad to fascist slavery.

THE FIGHT AGAINST CAPITALIST MONOPOLY

(*Continued from Page* 2)

practically synonyms for "criminal" and "corrupt." Nevertheless, basically monopoly is an economic development which has no relationship either to morality or to justice.

If we take the TNEC's own monograph on "Technology in Our Economy" we find that, with respect to automobile production, "The industry is one of the most highly concentrated segments of our national economy. In 1935 the four largest firms produced 87.3% of the industry's value of product." As is well known, the automobile industry in its development was singularly free of the buccaneering practices which characterized the early growth of American monopoly. Thus the adoption of the TNEC plank for "protecting private enterprise" against concentration by "means of practices, devices and organizations which decency and common sense condemn" would in nowise halt the development of concentration in the production of automobiles, in aviation, in radio or in any of the newer industries.

The actual process by which capitalism develops was long ago traced in brilliant fashion by Frederick Engels, Marx's life-long associate and co-thinker, in his classic brochure, "Socialism—Utopian and Scientific." Beginning with the first stages of capitalist production, in the medieval workshops of feudal Europe, Engels analyzed step by step the process by which capitalist competition gave birth to its opposite, monopoly, and forecast the giant trusts of today with their all-powerful grip on the world's economic life. Engels' exposition clearly shows that the development of the trust was not a matter of lack of morality, of bad capitalists or of bad industrial and economic practices, but, on the contrary, an inevitable product of the economic evolution of capitalism. Out of competition rises monopoly and the keener the competition the greater the economic mortality and the more powerful do the successful industrialists become.

"Rationalization, specialization, integration and general mechanization of the productive process," all constantly improved by the driving force of competition—these are the elements of economic monopoly, and these are the things which the TNEC must destroy if it is to "protect" small business and prevent the further growth of the trusts.

The "big stick" of the trust busters, i.e., the "vigorous and vigilant enforcement of the anti-trust laws" is once more proposed by the TNEC. Anti-trust laws have been on the statute books for over 50 years but they have not served to diminish the trend toward the economic concentration of power in fewer and fewer hands. It is contended, however, that heretofore there has been lax enforcement of these laws. But even if this is conceded, it can nevertheless be irrefutably demonstrated that even the most "vigorous and vigilant" enforcement of the anti-trust laws cannot circumvent the growth of monopoly.

The famous prosecution of the Standard Oil Trust is the case in point. In 1911 the United States Supreme Court ordered the dissolution of the trust into 33 separate companies. The decision was enthusiastically hailed by the trust busters of the time as sounding the death knell of monopoly. What were the actual results? Once again we refer to the TNEC's own monograph No. 39, "Control of the Petroleum Industry by Major Oil Companies":

"The Supreme Court of the United States in 1911 disintegrated the trust (Standard Oil) into 33 companies. From these and other large financial interests, including those controlled by the Mellons and the House of Morgan, developed 20 major oil companies whose large aggregation of capital and identical policies make it easier for them to control the industry so that there is little opportunity for the small non-integrated company to survive.

The importance of the 20 major companies has grown appreciably in the past 15 or 20 years. From 1926 to 1937 their share of the total crude oil production rose from 46.3 to 52.5 per cent; of crude oil stocks from 76.6 to 94.2 per cent; of refining capacity from 65.5 to 75.6 per cent; and of gasoline production from 71.3 to 83.8 per cent." '

We have dwelt on the development of monopoly and monopoly practices in the oil industry since the dissolution of the Standard Oil Trust to bring home the fact that the force of judicial restraint is helpless before the far more potent force of economic development and its overriding laws.

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Neither restricted federal charters nor "vigorous and vigilant" anti-trust law prosecution of the most unrelenting kind can succeed in breaking the onrushing wave of economic concentration. The proposal to strike at monopoly by prohibiting mergers involving assets of more than 5 million dollars unless approved by the government, and subjecting all mergers to certain restrictions is simplay a piece of glorified machine-breaking, comparable to the blind and unreasoning outbreaks against machinery committed by the early victims of the capitalist industrial revolution. Against the entrenched power of monopoly and finance capital the proposed legislative restrictions would prove to be equally as effective.

The TNEC glimpses the solution of its problem when it points out that "No clear understanding of the modern problem is possible by any one who does not first understand that the commercial and industrial life of the modern world is carried on, not by men in their individual capacities but by men in their group or collective capacities. Most of the goods, commodities and services which the people of this generation want cannot be produced or offered by individuals, but must be produced and offered by groups of individuals, that is to say, by industrial and commercial organization."

But, whereas production is carried on by collective activity, control of production and the appropriation of the product of this collective or social effort continues to be *individual* or private, just as it was in the days when production was carried on by individuals. This contradiction between social or collective production and capitalist individual appropriation is the root of the economic crisis and depressions and the host of social ills that follow in their wake.

BUT ONE SOLUTION!

There can be but one solution to the problem posed by monopoly. "This solution," writes Engels, "can only consist in the practical recognition of the social nature of the modern forces of production, and therefore in the harmonizing of the modes of production, appropriation and exchange with the socialized character of the means of production. And this can only come about by society openly and directly taking possession of the productive forces which have outgrown all control except that of society as a whole."

The TNEC, blinded by its capitalist orientation to the existence of this social conflict, cannot possibly solve the problem which it has posed.

The report speaks of "fixing social and economic responsibilities of such enterprise in order to eliminate all danger of arbitrary power." This reads well, but how is the cat to be belled? We have already demonstrated that legal restraints cannot effectively cope with the superior power of monopoly. To appeal to the conscience of the monopolist, as the committee proposes is bound to prove as effective as appealing to the conscience of a hungry tiger ready to make the kill.

To save society from the Frankenstein of monopoly, it is not necessary to erect artificial barriers to the further development of the industrial machine. What is required is to resolve the conflict between the social character of modern production and the individual control and private appropriation of the collective product by abolishing its basis—capitalism, the private ownership of the means of production.

In laying bare the pattern of economic concentration of power in all its far-reaching ramifications, and also in posing the question of monopoly's inherent antagonism to democracy, the TNEC has performed a service to society of the most valuable kind.

The task of coming to grips with the capitalist monster of monopoly, however, belongs not to capitalist politicians, no matter how honest they may be, but to the working class. Not reforms or patchwork, but only the social revolution can save society from the fascist tentacles of encroaching monopoly capitalism.

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